



# **2000 STATE TRANSPORTATION IMPROVEMENT PROGRAM FUND ESTIMATE**

**Adopted by California  
Transportation Commission  
August 18-19, 1999**

**Revised for  
Advanced Project Development Element  
per AB 1012  
Adopted by California Transportation Commission  
November 3-4, 1999**

**Prepared by  
Department Of Transportation  
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**2000  
STATE TRANSPORTATION IMPROVEMENT PROGRAM  
FUND ESTIMATE**

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## EXECUTIVE SUMMARY

Statutes require Department of Transportation (Caltrans) to present a State Transportation Improvement Program Fund Estimate (FE) to the California Transportation Commission (CTC) by July 15, and the CTC to adopt a FE by August 15 of each odd-numbered year. Each even number year, the CTC is required to adopt a State Transportation Improvement Program (STIP) based on funding identified in the adopted FE. The 2000 FE was adopted by the CTC in August 1999. The 2000 FE is for four years and covers fiscal years 2000-01 through 2003-04.

The previous fund estimate, the 1998 FE, was a 6-year estimate that covered 1998-99 through 2003-04. Adoption of this estimate was not finalized until January 1998 in response to the passage of Senate Bill 45 (SB 45). When the Federal Transportation Equity Act for the 21<sup>st</sup> Century (TEA-21) passed, it was apparent that more Federal funds would be available than previously estimated. This required development of a revised fund estimate for the State Highway Account (SHA) and the Public Transportation Account (PTA). A Revised 1998 FE was adopted in January 1999 and the subsequent augmentation to the 1998 STIP was adopted in March 1999. Since the adoption of Revised 1998 FEs for the SHA and PTA accounts, no new programming capacity has been identified for the 2000 FE. The key point is that the 2000 FE overlaps the last 4 years of the 1998 FE (2000-01 through 2003-04).

Total resources identified for the SHA 2000 FE are about \$19.8 billion. These revenues are generated primarily from Federal and State taxes on gasoline and diesel fuel and State weight fees. The SHA is the main funding source for California's Highway Transportation System and pays for the operations of Caltrans, capacity improvements, rehabilitation, safety, and traffic operations on both Local and State Highway Systems. The SHA also funds Article XIX eligible projects, such as urban, commuter, and intercity rail and capital improvements.

With no additional revenues identified for this 4-year period, the 2000 FE shows a deficit of \$524 million after estimated expenditures are deducted. The major expenditures include \$5,116 million for State operations, and \$4,812 million for the State Highway Operation and Protection Program (SHOPP). The majority of the State operations funds, \$3,066 million, are expenditures in the maintenance program.

Total Local Assistance Expenditures are estimated to be about \$3,953 million. This is comprised of annual CTC lump sum allocations for local assistance, which are managed and programmed by regional agencies. The estimate for four years is about \$3,461 million. The Administration's decision to fund a specific list of soundwall retrofit projects is also reflected in local assistance. The current cost estimate is approximately \$226 million which includes both support and capital costs that translate into \$170 million in cash expenditures. State/Local Partnership expenditures approximate \$46 million. This program is due to close out by 2002. The Environmental Enhancement and Mitigation Program (EEM) expenditures are estimated to be \$40 million and are augmented from Transportation Enhancement Activities (TEA) resources.

The 2000 FE contains a "Contingency for Delivery Shortfall." Since the mid-1990s local agencies have left more than \$800 million of Federal local assistance funds unspent. In fact, during the past two years, local agencies have expended approximately 40 percent of the \$600 million available per year in Federal Local Assistance Regional Surface Transportation Program (RSTP) and Congestion Mitigation and Air Quality Program (CMAQ) funds. Although Caltrans has augmented its FY 1999-00 support for local assistance to help local agencies improve project delivery; it is unrealistic to assume that the benefits will immediately result in 100 percent local agency delivery.

The "Contingency for Delivery Shortfall" line in the 2000 FE represents the Federal resources that will be available assuming that local project delivery gradually increases to 45 percent in 2000-01 and at 5 percent per year over the FE period to 60 percent in 2003-04. The total "Contingency for Delivery Shortfall" equals \$1.67 billion over the 2000 FE period. This is a temporary strategy until local agencies are able to address improved delivery. The first call on this "contingent" resource is covering the \$524 million STIP funding deficit.

The PTA is a trust fund intended for transportation planning and mass transportation purposes. The account does not have sufficient funds to cover the projected obligations and a deficit of \$50 million is estimated in the 2000 FE.

Fund estimates for the Aeronautics Account and the Toll Bridge Account are also provided. There is \$12 million of programming capacity in the Aeronautics Account. The Toll Bridge Account shows programming capacity of \$18 million, however because of the Toll Bridge Seismic Retrofit Account (TBSRA) commitment required by Senate Bill 60 (SB 60), the Toll Bridge Account has no true programming capacity.

Since the adoption of the 2000 FE by the CTC on August 18, 1999, the State Legislature passed Assembly Bill 1012 (Torlakson, 1999). AB 1012 established an Advance Project Development Element (APDE) in the STIP to ensure a steady stream of transportation construction projects. The legislation added two years to the fund estimate period beginning with the 2000 FE. The amended 2000 FE estimate identified \$375 million for APDE, of which \$281 million is for the Regional Improvement Program (RIP) and \$94 million is for the Interregional Improvement Program (IIP).

AB 1012 also included a provision to lend an aggregate maximum of \$500 million for use by local transportation agencies for the advancement of "STIP eligible" projects. The loan program is automatically triggered once the SHA cash balance exceeds \$400 million. The CTC is required to establish guidelines for the implementation of the loan program and the loans must be repaid within four years.

And at the November 3-4, 1999 CTC meeting, the Commission voted to administratively remove the collection of toll charges on the Vincent Thomas Bridge at a date no later than January 1, 2000.

## INTRODUCTION

The purpose of the FE is to provide an estimate in annual increments of all Federal and State funds reasonably expected to be available for programming in the subsequent STIP.

Caltrans is required to present a FE to the CTC by July 15, and the CTC to adopt a FE by August 15 of each odd-numbered year. Each even number year, the CTC is required to adopt a STIP based on funding identified in the adopted FE.

Subsequent to adoption of the 1998 STIP, the President signed the Federal TEA-21. The new act provided for Federal funds above what was previously included in the 1998 FE. The CTC, at its August 1998 meeting, stated its intent to pursue an amendment to the 1998 STIP to program these additional resources. This required development of revised fund estimates for the SHA and PTA accounts. A Revised 1998 FE was adopted in January 1999 and the subsequent augmentation to the 1998 STIP was adopted in March 1999.

The CTC may delay adoption of, or amend the FE if it finds that pending State or Federal legislation may have a significant impact on the fund estimate, as was the case for the 1998 FE. In the event the FE is amended, the CTC is required to extend the dates for RIP and IIP submittals and adoption of the STIP.

### Methodology

The methodology used for the FE is determined by the CTC in consultation with Caltrans, RTPAs, and county transportation commissions. Since the 1996 FE, the CTC has directed Caltrans to base the SHA portion of the FE on a "Cash Flow Allocation Basis" model. The 2000 FE schedules funding capacity based upon cash flow requirements and is reflective of the method used to manage the allocation of capital projects.

### Current Law Assumed

While several pending legislative bills could influence positively or negatively account(s) included in the 2000 FE, no assumption is made concerning their passage.

## **Inflation Estimates**

As required by law, inflation estimates for State operations costs are based on the annual escalation rate established by the Department of Finance (DOF), which is 2.3 percent for this FE period. Estimates for revenue use historical data and economic trends that tend to reflect changes in inflation.

In a departure from prior FEs, the annual inflation factor for capital projects is based on the California Highway Construction Cost Index rate of 3.5 percent. The rate DOF publishes for construction is 3.37 percent, but is primarily for office building construction.

## **County Shares**

The fund estimate is required by law to include County Share estimates. Of the funds available for the STIP, 75 percent are committed to the RIP and 25 percent to the IIP. The 2000 FE is in compliance with this requirement. The county share estimates for the Advance Project Development Element (APDE) of AB 1012 are also available for RIP and IIP projects. See Appendix B – County Shares for more information.

## **Toll Seismic Funding Impacts**

Senate Bill 60 (Chapter 327/97) created a Toll Bridge Seismic Retrofit Account (TBSRA) in the State Transportation Fund (STF). This account is continuously appropriated to Caltrans for the purpose of funding the toll bridge seismic retrofit program. The State and Regional share of the contributions, specified by SB 60, (\$875 million each) are deposited in the TBSRA. The State contribution comes from the SHA and PTA accounts. After Proposition 192 funds have been fully expended (\$790 million), the remaining toll bridge seismic retrofit projects will be funded directly from the TBSRA Account.

Appendix A describes the key impacts of the remaining SHA and PTA transfers to be made to the TBSRA. Of the \$875 million Regional share to the TBSRA, \$15 million is from the Vincent Thomas Toll Bridge (see Toll Bridge Account following).

## **Toll Bridge Account**

Of the nine-State owned toll bridges, the CTC currently retains responsibility for only the Vincent Thomas Bridge. The Toll Bridge Account (Vincent Thomas Bridge) shows programming capacity of \$18 million, however because of the TBSRA commitment required by SB 60, there is no true programming capacity.

At the November 3-4, 1999 CTC meeting, the Commission voted to administratively remove the collection of toll charges on the Vincent Thomas Bridge at a date no later than January 1, 2000.

### **Federal Transportation Act Impacts**

Federal resources are generated primarily from the Federal tax on gasoline and diesel fuel, which is reflected in the Obligational Authority (OA) level expected under the TEA-21.

- The fund estimate assumes that OA for California will be 90.5 percent of the Federal funds apportioned to California during the fund estimate period.
- Beginning in FY 2000, TEA-21 provides that the funding level for the Federal Aid Highway Program will be adjusted to reflect revised revenue receipt estimates for the Federal Highway Trust Fund. This adjustment, which is called the Revenue Aligned Budget Authority (RABA), authorizes an estimated additional OA amount of about \$160 million over the first three years of the 2000 FE.



## **FUNDS AVAILABLE FOR THE STIP**

**S**ince the January 1999 adoption of the Revised 1998 FEs for the SHA and PTA accounts, no additional programming capacity has been identified for the 2000 FE period. The SHA and PTA are estimated to have deficits of \$14 million and \$50 million respectively. The key point is that the 2000 FE overlaps the last four years of the 1998 FE.

### **Highlights of the 2000 FE**

- An increased investment in the State Highway System of \$319 million is made to address maintenance and safety issues caused by the increased demands of an aging highway system.
- The level of service given to local agencies to assist in the delivery of local projects is increased \$72 million.
- With local delivery continuing at 42 percent of their Federal OA level, the State is quickly losing its ability to fully meet its OA. With local agencies behind by almost \$1 billion in OA, California may soon be unable to seek additional Federal funds during the August redistribution. This poses a very real threat of California losing Federal funds it has historically captured.
- Although Caltrans has augmented its FY 99-00 local assistance support resources to help local agencies improve project delivery, it is unrealistic to assume that the benefits will immediately result in 100 percent local agency delivery. The "Contingency for Delivery Shortfall" in the FE represents the Federal resources that will be available assuming that local project delivery gradually increases to 45 percent in FY 00-01 then at 5 percent per year over the FE period to 60 percent in FY 03-04.

### **Decisions / Issues**

- The commission considered the following in adopting the 2000 FE:
  - Agreed with the contingency for delivery shortfall.
  - Agreed with the use of contingency funds for Stormwater and SHOPP/TOPS (Traffic Operations Program Strategies are system

operational improvements aimed directly at reducing congestion and improving overall SHS safety).

- To the extent the authority exists in the budget, Caltrans has funded qualifying Transit Capital Improvement (TCI) projects with SHA funds, thus avoiding additional draws on the PTA account.

### **AB 1012 (Torlakson, 1999)**

Passage of AB 1012 legislation has far-reaching implications on transportation. AB 1012 adds two years for advanced project development in the STIP development process beginning with the 2000 FE. The legislation also includes a provision that local transportation agencies are able to borrow funds from the SHA for the advancement of “STIP eligible” projects. The following highlights some of the key points of the legislation:

#### **AB 1012 Highlights:**

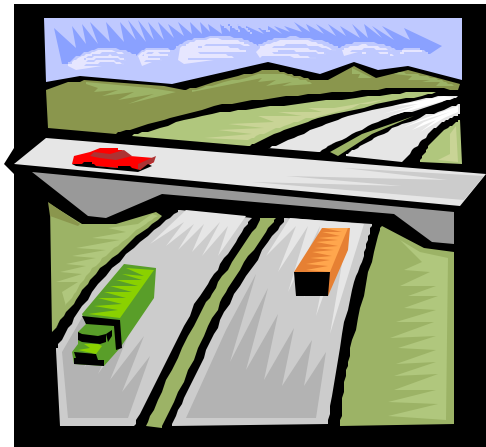
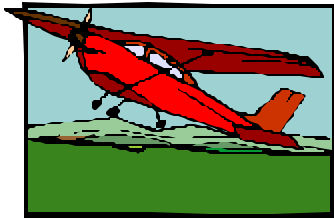
- Adds two years to the fund estimate period beginning with the 2000 FE.
- The 2000 STIP remains a four-year program.
- AB 1012 adds an Advance Project Development Element (APDE) to the STIP process beginning with the 2000 STIP.
- The APDE may include only project development activities for projects eligible for inclusion in a STIP.
- The APDE in the 2000 STIP will provide funding for environmental, preliminary and final engineering, right of way engineering and associated project development activities. The capital outlay component of the projects is to be funded from the subsequent (2002) STIP.
- Projects may be nominated for inclusion in the APDE with the submittal of RIPs and IIPs.
- The costs programmed as APDE will count against county shares in the programmed years (2004-05 and 2005-06). Expenditures may be made at any time during the four years of the 2000 FE.
- AB 1012 includes a provision to lend an aggregate maximum of \$500 million to local transportation agencies for the advancement of “STIP eligible” projects. The loans must be repaid within four years. The loan program is automatically triggered once the SHA cash balance exceeds \$400 million.

- AB 1012 also proposes an expedited process for Project Study Report compliance with guidelines to assist in delivering high priority projects or APDE work. The guidelines are to be adopted by the CTC by January 30, 2000.

**Concerns:**

- The Department's prudent cash balance has been determined to be \$440 million.
- Lending of SHA funds might jeopardize the delivery of projects programmed in the STIP and the State's ability to capture Federal funds.

## 2000 STIP FUND ESTIMATE BY ACCOUNT



## STATE HIGHWAY ACCOUNT (SHA)

The SHA Account is the main funding source for California's Highway Transportation program. The principle sources of funds are the excise taxes on motor vehicle fuels, truck weight fees, and Federal Highway Trust Funds. Resources pay for operations of Caltrans, capacity improvements, rehabilitation, safety and traffic operations on both Local and State Highway Systems. The SHA also funds Article XIX eligible projects, such as urban, commuter, and intercity rail and capital improvements.

### **Resources Available for Programming**

The table below summarizes the 2000 FE for the SHA, which does not provide new funds for programming and shows a deficit of \$524 million.

(\$ in millions)	00-01	01-02	02-03	03-04
Available for Programming	(\$126)	(\$136)	(\$120)	(\$142)

Further details of the revenues and expenditures are presented in Appendix A.

### **Highlights**

- The SHA 2000 FE is based on anticipated cash flow, while programs such as the STIP, SHOPP, and Local assistance are built on a full-project-cost accrual basis. This means that the fund estimate contains a factor to convert full project cost as programmed into project cash flow for all existing STIP and SHOPP projects, then back again at the bottom line to show level of funding available for new full-project-cost programming.
- The net effect from this conversion factor is built into the resources line and allows more programming during the four years.
  - On a cash flow basis a portion of the cost of projects programmed late in the STIP or SHOPP spills out into future years.
  - For the existing 1998 STIP and SHOPP as presently programmed, the amount that spills out into future years becomes the first call as commitments against "new" resources during that period.

- The fund estimate assumes that Federal OA for California will be 90.5 percent of apportionments during the fund estimate period.
  - Beginning in FY 2000, TEA-21 provides that the funding level for the Federal Aid Highway Program will be adjusted to reflect revised revenue receipt estimates for the Federal Highway Trust Fund.
  - This adjustment, which is called the Revenue Aligned Budget Authority (RABA), authorizes an estimated additional OA amount of about \$160 million over the first three years of the 2000 FE.
- The 2000 FE includes a “Contingency for Delivery Shortfall” line in the FE that represents the Federal resources that will be available assuming that Local project delivery will gradually increase from the current level of 40 percent to 60 percent over the FE period.
- The total “Contingency for Delivery Shortfall” equals \$1.67 billion over the FE period. This is a temporary strategy until Local agencies have been able to address improved project delivery.
- The first call on this “contingent” resource is covering the \$524 million STIP funding shortfall.

### **Revised for AB 1012**

With the passage of AB 1012, two years were added to the fund estimate period beginning with the 2000 FE. The 2000 STIP will remain a four-year program.

- The amended 2000 FE identifies \$375 million as the amount available for the APDE, \$281 million for RIP and \$94 million for IIP.
- The projects to be programmed through the APDE are limited to two project development components:
  - permits and environmental; and
  - plans, specifications, and estimates.
- AB 1012 includes a provision to lend an aggregate maximum of \$500 million to local transportation agencies for the advancement of “STIP eligible” projects. The loans must be repaid within 4-years. The loan program is automatically triggered once the SHA cash balance exceeds \$400 million.

## **PUBLIC TRANSPORTATION ACCOUNT (PTA)**

**T**he PTA Account is a trust fund intended for transportation planning and mass transportation purposes.

Revenues going into the account are derived from sales taxes on gasoline and diesel fuels. The gas tax revenues are based on the greater of the “Spillover” or “Proposition 111” calculations. The “Proposition 111” calculation is based on the sales tax at 4  $\frac{3}{4}$  percent on the 9-cents per gallon tax imposed by “Proposition 111” and is influenced by consumption. The “Spillover” calculation compares the sales tax revenue that would have been generated on gasoline sales when the State’s sales tax rate was 4  $\frac{3}{4}$  percent to the total taxable sales without gasoline sales at the State’s revised sales tax rate of 5 percent. Since this calculation is largely influenced by the total sales statewide, “Spillover” is generally only greater than “Proposition 111” in times of recession and / or when continued higher fuel prices occur. The “Spillover” calculation has not been a contributor to gas sales tax revenues flowing into the PTA for about five years.

Fifty percent of the annual revenues derived from fuel taxes is for State Transit Assistance (STA) and is allocated directly by the State Controller to Local transportation agencies. The remaining funds are appropriated to Caltrans for the following purposes:

- Mass Transportation related activities and services.
- Institute of Transportation Studies of the University of California for training and research.
- CTC, Public Utilities Commission (PUC), and High-Speed Rail Authority activities.
- Subject to available funding, Article XIX ineligible projects (i.e., rolling stock).

**Resources Available for Programming:**

The table below summarizes the 2000 FE for the PTA, which does not provide new funds for programming and shows a deficit of about \$50 million.

(\$ in thousands)	00-01	01-02	02-03	03-04
Available for Programming (Cumulative)	\$61,727	\$56,236	\$10,113	(\$49,667)

Further details of the revenues and expenditures are presented in Appendix A.

**Highlights:**

- SB 45 abolished the TCI Program, which utilized the PTA as the primary source of funds. Under SB 45, TCI type projects are programmed in the STIP (projects ineligible for SHA funding under Article XIX of the State Constitution, such as rolling stock acquisition and projects for freight rail improvements, continue to be funded from the PTA). The 1998 FE anticipated that expenditures for prior year projects would continue into the four common years of the 2000 FE. Instead, expenditures realized sooner than anticipated led to a reduction in the beginning reserve going into the 2000 FE period.
- Per SB 60, a contribution of \$40 million is reflected in the FE to fund the Toll Bridge Seismic Retrofit Program. (See Appendix A for additional information.)
- The 2000 FE includes a \$185 million increase in the SHA cash transfer attributed to a 1999/00 budgetary augmentation for Planning.
- There is a \$2.7 million increase in support costs due to budgetary augmentations and a minor increase in the escalation rate.
- Intercity rail expenditures increased by \$15 million over the 1998 FE when the escalation rate of 2.3 percent was applied. The 1998 FE did not use an inflation factor.
- Intercity Rail Program operating costs were reduced by \$4.5 million in the 2000 FE period due to a General Fund appropriation for rolling stock acquisition. Annual savings to the PTA are estimated at \$1.5 million per year.



- The Budget Act of 1999 held STA at approximately \$14 million above the statutory funding level. This 2000 FE assumes the STA will be at the statutory funding level through the four-year period.

(\$\$s in Millions)

	<u>1998 FE</u>	<u>2000 FE</u>	<u>Change</u>
Resources:			
Beginning Reserves	\$ 112	\$ 74	\$ (38)
Revenues/Transfers/Etc.	\$ 761	\$ 928	\$ 167
Expenditures:			
State Transit Asst.	\$ 369	\$ 366	\$ (3)
Support Costs	\$ 156	\$ 344	\$ 188
TCI Program	\$ 33	\$ -	\$ (33)
Intercity Rail	\$ 327	\$ 342	\$ 15
Available Funds:	\$ (12)	\$ (50)	\$ (38)

### **Key Concerns:**

- This account does not have sufficient funds to cover the projected obligations. A deficit of about \$50 million will exist at the end of the four-year period.

### **Addressing PTA Deficit:**

#### **Administrative Actions Taken to Date**

- The Department proposed, and the CTC adopted two policy proposals:
  - The limitation of PTA funding to Article XIX ineligible costs.
  - A \$28 million transfer from SHA in 1999/00 to fund Article XIX eligible projects.
- The Administration increased the SHA transfer in order to fund 100 percent of Planning.
- State and Local Transportation Partnership Program (SLTPP) savings have been utilized to offset the \$130 million transfer to the TBSRA required by SB 60. [Recent legislation (SB 364, Perata, Chaptered June 28, 1999) will have some impact on SLTPP savings, the extent of which will not be known until the statutory encumbrance period lapses.]

- To date, all administrative options available to Caltrans have been implemented.

### **Intercity Rail Program**

- The CTC and the Administration may consider limiting growth in the Intercity Rail Program until the PTA is made whole.
- Via the budgetary process, the Legislature may identify an alternative or supplemental funding source for the Intercity Rail operations contract.

### **Legislative Proposals**

The Legislative Analyst has recommended a constitutional amendment to ease Article XIX restrictions; return the funding formula to its pre-SB 45 condition (50-50 split of net revenues); identify a supplemental funding source (the Legislative Analyst is to complete a report on this issue for the Legislature).

## AERONAUTICS ACCOUNT

Monies in the Aeronautics Account in the State Transportation Fund are continuously appropriated to the commission and the department for expenditure on an Aeronautics Program that fosters and promotes the development of a safe, efficient, dependable and environmentally compatible air transportation system. The majority of the revenues come from an eighteen-cent per-gallon excise tax on aviation gasoline and a two-cent per-gallon tax on jet fuel. The taxes are levied on general aviation aircraft only.

The Aeronautics Program allocates funds through three programs. The Grants to Local Agencies program provides \$10,000 to each of 149 qualifying airports and is projected to remain at the same level through the FE period. Acquisition and Development (A&D) funds are allocated by the CTC to public entities for projects included in the three year Capital Improvement Program (CIP) adopted by the CTC every two years. Figures shown in the Appendix are from the 1998 CIP. The Airport Improvement program (AIP) provides the State match for Federal monies given directly to local agencies.

### **Resources Available for Programming:**

The table below summarizes the resources available for programming in the Aeronautics Account.

(\$ in thousands)	00-01	01-02	02-03	03-04
Available for Programming	\$5,560	\$2,426	\$2,283	\$2,141

Further details of the revenues and expenditures are presented in Appendix A.

### **Highlights:**

- The 2000 FE identifies \$12.4 million in programming capacity for the Aeronautics Account, a substantial increase over the 1998 FE.

- This increase was primarily the result of annual average aviation and jet fuel revenues increasing dramatically over prior projections (about 13 percent).
  - This caused the cash balance moving into the 2000 FE to be about \$1.9 million higher than anticipated.
  - Resulting interest income was higher than projected.
- Slower disbursements than previously expected for local grants also contributed to the increase in available programming capacity in the 2000 FE.
- At its discretion, the CTC may allocate any balance in the account, after the mandatory \$10,000 grants are made to qualifying airports, to provide a portion of the local match for Federal AIP grants. The AIP match is currently programmed at \$1.4 million per year through 2000-01. It is assumed at that level through the remaining 2000 FE period.

**Key Concerns:**

- Congress is considering a major increase in Federal funding of general aviation airports. If that occurs, the need for matching funds will increase. However, resolution is not expected until the end of summer, 1999.
- The 2000 FE assumes that the set-aside in the adopted AIP will be increased, and the A&D will be decreased if a major increase in Federal funds occurs.

## **RAIL BONDS**

### **CLEAN AIR AND TRANSPORTATION IMPROVEMENT BOND ACT OF 1990**

The Clean Air and Transportation Improvement Bond Act of 1990 is more commonly known as Proposition 116. This voter initiative, when fully implemented, will have provided \$1.99 billion (\$10 million was reserved for administrative costs) for passenger and commuter rail systems, with limited funds available for public mass transit guideways, paratransit vehicles, bicycle and ferry facilities, and a railroad technology museum.

Funding for the projects is continuously appropriated and made available from the sale of the bonds. The 2000 FE is not affected by this bond act, although projects funded from Proposition 116 are programmed in the STIP per CTC policy.

#### **Resources Available for Programming:**

Of the \$1.99 billion available, about \$1.65 billion has been committed leaving approximately \$341 million for future programming. Further details of the revenues and expenditures are presented in Appendix A.

## **TOLL BRIDGE ACCOUNT**

### **Vincent Thomas Bridge**

**T**he Vincent Thomas Bridge is the only remaining bridge represented in the Toll Bridge Account. Senate Bill 226 (Chapter 328/97) which established the Bay Area Toll Authority and created the Bay Area Toll Account, required that all existing fund balances and all future revenues for the Bay Area Bridges be transferred into the new account. Statutes also require that excess toll revenues on the San Diego/Coronado Bridge be transferred to the San Diego Association of Governments (SANDAG). Therefore, a FE is now prepared for only the Vincent Thomas (VT) Bridge.

The toll revenues on the VT Bridge include toll collections, and interest earnings. Tolls collected on the bridge comprise approximately 80 percent of the revenues. The remaining twenty- percent of revenues in the fund comes from interest on investments, and interest earned on the Electronic Toll Collection account.

Revenues are used to pay for bridge operations, rehabilitation projects and safety improvements. Bridge operations include, but are not limited to, the cost of toll collection, administrative costs, maintenance of toll collection facilities, roadway towing service and utilities.

#### **Resources Available for Programming:**

The following table summarizes the resources available in the Toll Bridge Account. However, there is no true programming capacity because the account has a financial obligation of \$15 million due to the Toll Bridge Seismic Retrofit Account.

(\$ in thousands)		<b>00-01</b>	<b>01-02</b>	<b>02-03</b>	<b>03-04</b>
Available	for				
Programming		\$15.3	\$0.7	\$0.8	\$0.8

Further details of the revenues and expenditures are presented in Appendix A.

**Highlights:**

- The \$15 million outstanding contribution to the Toll Bridge Seismic Retrofit Account is not reflected in this FE. The 1998 FE anticipated this transfer to occur in 1999-00; however, the contribution is being deferred until the 2002 FE to generate additional interest to pay an outstanding loan to the SHA.
- At the November 3-4, 1999 CTC meeting the Commission voted to administratively remove the collection of toll charges on the Vincent Thomas Bridge at a date no later than January 1, 2000.

**Key Concerns:**

- The Toll Bridge Account does not have new programming capacity. The beginning reserves going into the 2000-01 FY will be used to generate enough resources for the account to fulfill its financial obligations.

## COUNTY SHARE ESTIMATE

The 2000 FE does not provide any increase or decrease in programming capacity. Appendix B displays the available STIP county and interregional share balances, advance project development element per AB 1012, and STIP amendments and allocations through November 1999.



# **Appendix A**

## **Fund Estimate Detail**



## **METHODOLOGY**

In accordance with current statutory provisions as updated by Senate Bill 45 (SB 45), the methodology used for the Fund Estimate (FE) is determined by the California Transportation Commission (CTC) in consultation with the California Department of Transportation (Caltrans), Regional Transportation Planning Agencies (RTPAs), and county transportation commissions.

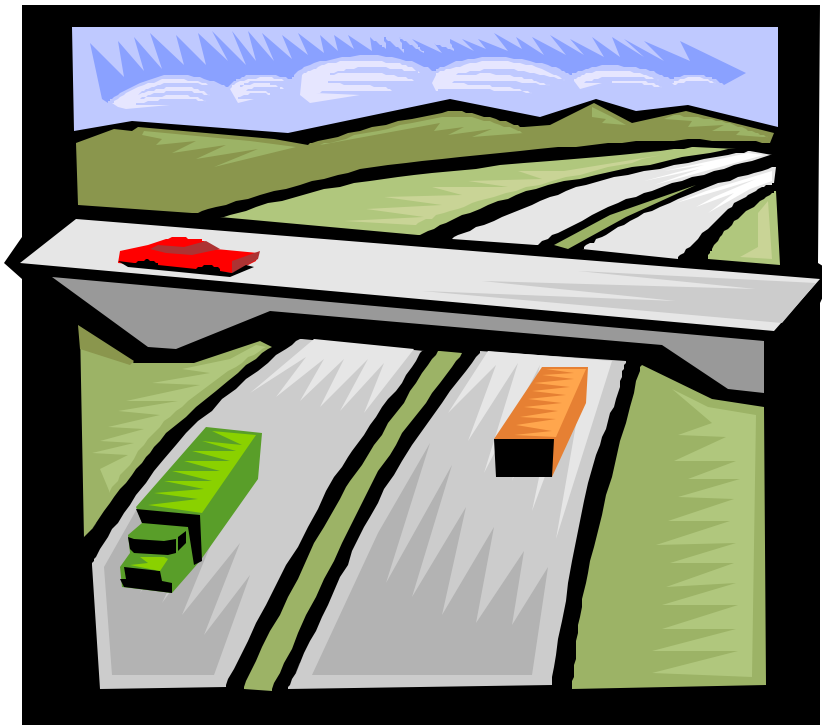
The methodology for most accounts is based on a modified accrual accounting basis. Beginning with the 1996 FE, the CTC and Caltrans changed the methodology used for the State Highway Account (SHA) portion of the FE to reflect a “Cash Flow Allocation Basis” model. This methodology schedules funding capacity based upon cash flow requirements and is reflective of the method used to manage the allocation of capital projects. The “Cash Flow Allocation Basis” is continued for the 2000 FE.

The SHA methodology continues to reflect the use of Advanced Construction (AC) through the 2000 STIP period. This enables the smoothing of project scheduling by using State resources to fund projects in advance of receiving Federal funds.

Statutes require the FE to be based on current statutes for estimating revenues and the most recent enacted Budget Act adjusted for the annual inflation rate. Operations costs are escalated at the rate established by the Department of Finance (DOF), which is 2.3 percent for this 2000 FE. The escalation rate for capital projects is based on the California Highway Construction Cost Index (CHCCI) rate of 3.5 percent.

The FE is required to identify funds available for programming by county. The level of programming by county is driven by the county share system established by SB 45. Additional information concerning county shares is presented in Appendix B.

# STATE HIGHWAY ACCOUNT



**No new  
programming  
capacity**

## **STATE HIGHWAY ACCOUNT FUND ESTIMATE ASSUMPTIONS**

The Revised 1998 FE for the SHA was adopted by the CTC in January 1999. The 2000 FE covers the last four years of the 1998 FE, which was a six-year transitional document required by SB 45. It does not provide new funds for programming and shows a deficit of \$524 million.

### **REVENUES**

#### **Beginning Reserve:**

- The proposed Governor's Budget has historically been used as the base for developing the FE. The proposed 1999-00 Budget projected \$1,500 million in resources to be carried-over into the FE base year.

The 2000 FE has been updated to include the actual Beginning Reserve per the 1998-99 fiscal year financial statements. The adjusted Beginning Reserve is \$1,736 million and is included in the available resources.

For the 2000 FE, the Beginning Reserve has been adjusted per the 1998-99 fiscal year financial statements to \$1,736 million. This amount is included in resources and spread over the four year fund estimate to fund commitments against that reserve.

#### **Federal Revenue:**

- Federal resources are primarily generated from the Federal fuel tax on gasoline and diesel which is reflected in the Obligation Authority (OA) level expected under the Federal Transportation Efficiency Act for the 21st Century (TEA-21).

The 2000 FE assumes that OA for California will be 90.5% of apportionments during the fund estimate period, which is about \$40 million higher than that assumed in the 1998 FE.

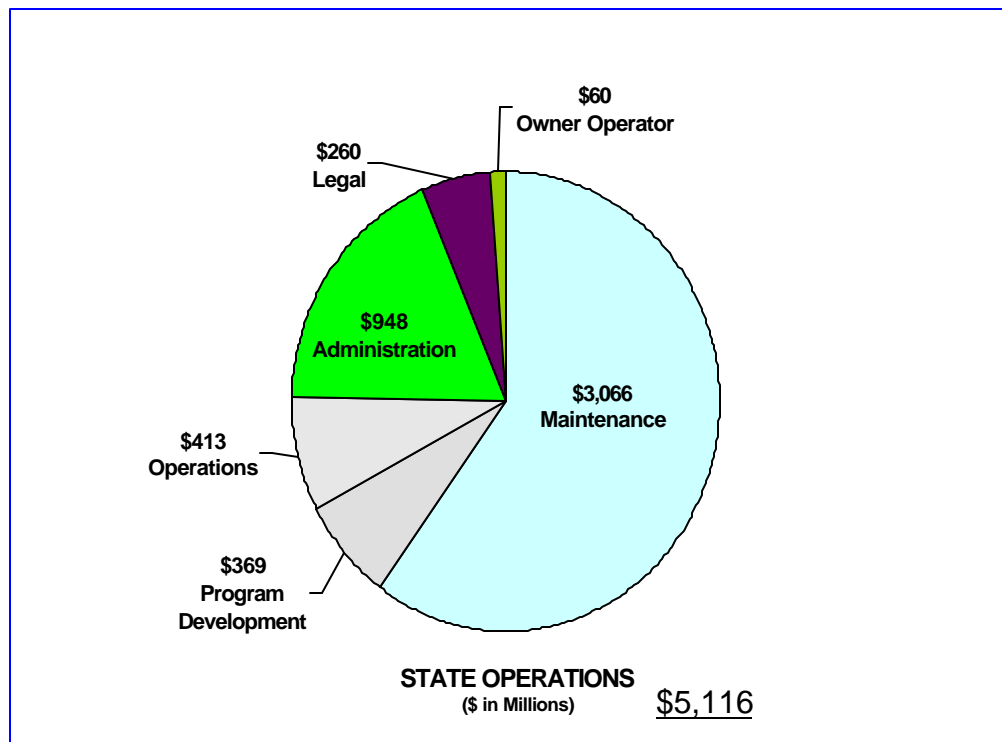
Also, beginning in fiscal year (FY) 2000, TEA-21 provides that the funding level for the Federal Aid Highway Program will be adjusted to reflect revised revenue receipt estimates for the Federal Highway Trust Fund. This adjustment, which is called the Revenue Aligned Budget Authority (RABA), authorizes an estimated additional OA amount of about \$160 million over the first three years of the 2000 FE.

- Federal Advanced Construction (AC) is assumed equal to future-year OA available (subject to a \$1 billion limitation of available programmable STIP projects) to fund the Federal Capital Outlay Program, and continues through the last year of the STIP (2003-04).
- The FE reflects net cash from OA. State cash expenditures for AC are offset by Federal reimbursements (OA conversion) on a yearly basis.
- Federal Transportation Enhancement Activities (TEA) reservations are included in the fund estimate period with 75% as Local Assistance Regional Share and 25% as augmentation to the State Highway Operation and Protection Program (SHOPP) and Environmental Enhancement and Mitigation (EEM) programs.
- Expenditure levels reflect continuation of all programs authorized under current statutes.

#### **State Revenue:**

- Fuel tax revenues, which are driven by fuel consumption, reflect a modest growth over the 1998 FE of about \$26 million due to a slight increase in consumption.
- Weight fee revenues are the same as shown in the 1998 FE. These revenues are based on truck and trailer weight fees paid in or apportioned to California.
- The remaining State resources consist primarily of Surplus Money Investment Fund (SMIF) interest and rental income and are the same as shown in the 1998 FE except for SMIF. SMIF interest is based on the forecasted SHA cash balance for each year of the FE period.
- A guideline in the development of the FE is to achieve and maintain a "Prudent Cash Balance" of \$440 million.
- Cash transfers (\$795 million) from the SHA to the Toll Bridge Seismic Retrofit Account (per SB 60) are on an "as needed" basis.
- Transfers to the Public Transportation Account (PTA) have been increased to cover costs of project initiation documents (e.g., Project Study Reports - PSRs, PSSRs, PIRs, etc.) for proposed future State Highway projects previously funded from the SHA as owner operator work. This work is now being captured as part of the planning process work in the PTA, but is still required to be funded with SHA resources.

## **EXPENDITURES**



### **State Operations:**

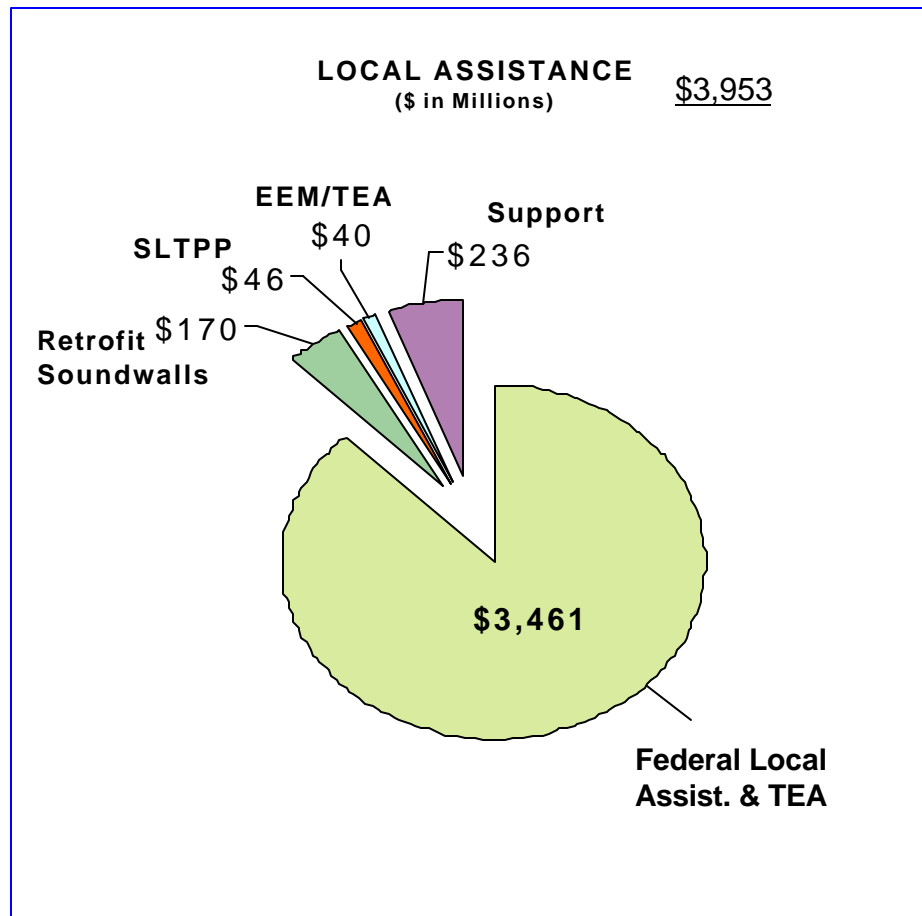
- Statutes require that the FE incorporate “the most recent Budget Act” as the base in projecting future State Operations expenditures.
  - Statutes also allow for these expenditures to be adjusted for inflation.
  - Statutes require the fund estimate to use the DOF escalation rate of 2.3% to forecast State Operations commitments.
- Expenditure levels reflect continuation of all programs authorized under current statutes.
- “Partnership” and “Owner Operator” COS costs “come off the top” before determining the amount available for Regional and Interregional programming.

“Partnership” costs are captured as part of State Operations work and include:

- oversight on Sales Tax Measure projects;
- preparation of environmental documents for Sales Tax Measure projects;
- and
- oversight on other locally funded projects.

“Owner Operator” costs are captured as part of state operations and includes a variety of work required of the Department as “owner operator” of the State Highway System (e.g., investigations, development of standards, work on stormwater permits to meet National Pollution Discharge Elimination System (NPDES) requirements, etc.). The costs of project initiation documents (e.g., PSRs, PSSRs, PIRs, etc) are captured as part of the planning process work in the PTA.

### **Local Assistance:**



### **Federal Local Assistance**

- Includes Regional State Transportation Plan (RSTP), Congestion Mitigation and Air quality (CMAQ) and TEA funds.
- The Commission annually allocates lump sum amounts for local assistance.
- The funds are then managed and programmed by regional agencies.
- The FE assumes Federal local assistance delivery levels at 100% of available funds (OA @ 90.5% of apportionments under TEA-21).

### **Retrofit Soundwall Program**

- The FE reflects the Administration's decision to fund a specific list of soundwall retrofit projects "off the top" through local assistance.



- It is based upon the statutory commitment to complete specific soundwall projects (Streets & Highways Code Section 215.5).
- The current cost estimate for the remaining retrofit soundwall projects is approximately \$226 million which includes both support and capital costs which translates into \$170 million of cash expenditures during the four-year FE period.

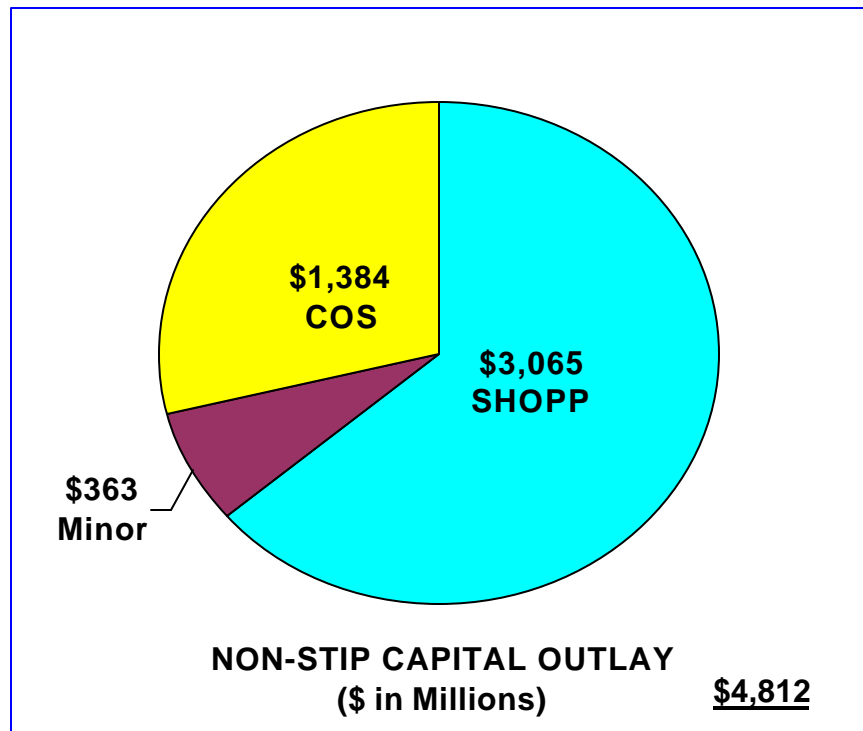
#### **State and Local Partnership Transportation Program**

- Reflects close out of this program by 2002 consistent with chaptered legislation (SB 482).

#### **Environmental Enhancement and Mitigation (EEM) Program**

- \$10 million per year augmented with Federal TEA resources.

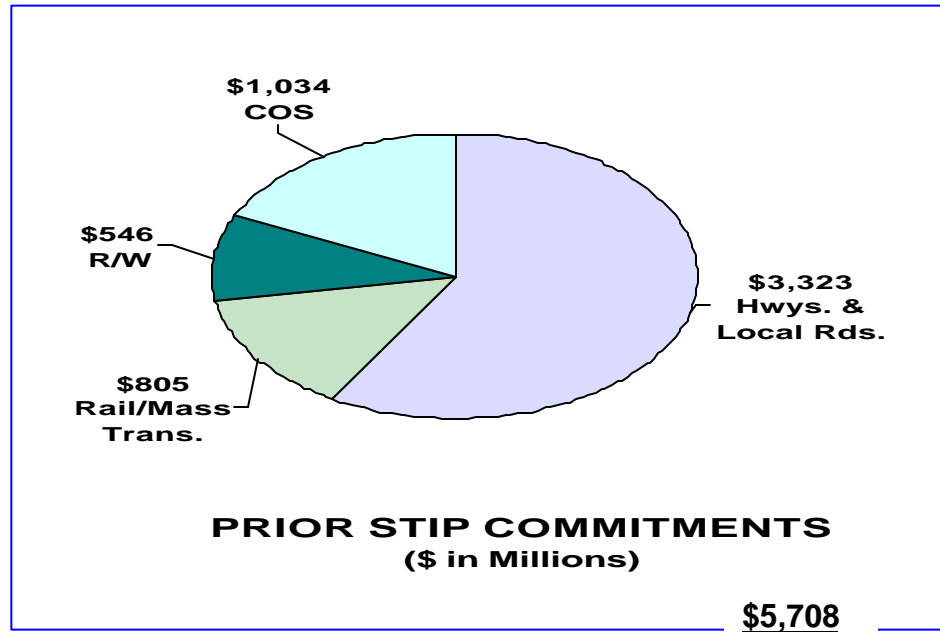
### Non-STIP Capital Outlay (SHOPP):



- The SHOPP includes projects that are based on the 4-year SHOPP approved by the CTC and the 10-year plan presented to the CTC. COS modeling for SHOPP assumes a continuation of SHOPP at a level consistent with the 10-year plan.
- For the 2000 FE, the CTC directed Caltrans to use the CHCCI of 3.5% per year (1998 FE used 2.2%). The change in escalation rates added approximately \$86 million in SHOPP expenditures during the FE period.
- There is an increase in COS costs, particularly for minor projects for which project development costs have proven to be relatively higher than typical for projects of a larger size.
- The SHOPP program is augmented with about \$21 million in Federal TEA reservations during the FE period.
- Phase II Seismic Retrofit is funded by Proposition 192.

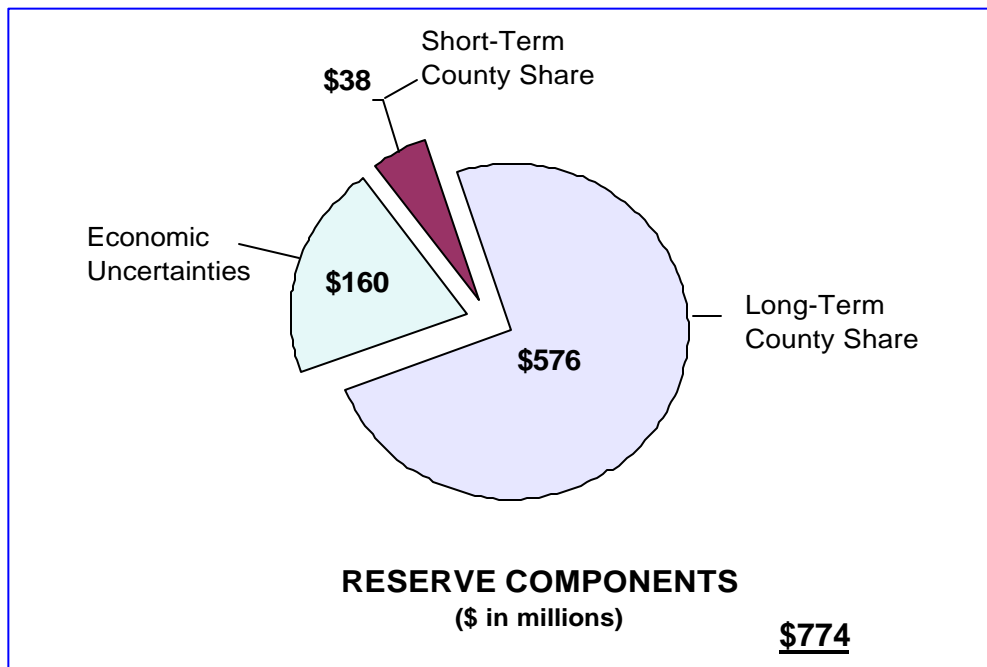
## **STIP Capital Outlay Commitments:**

### **Prior STIP Commitments**



- The escalation rate used for STIP capital expenditures in the 1998 FE was DOF's 2.2% "state operations" escalation rate. For the 2000 FE, the CTC directed Caltrans to use the CHCCI of 3.5% per year.
- Includes STIP amendments resulting from the revised 1998 FE adopted in January 1999. Commitments made in the 1998 and prior STIPs are assumed to continue.
- These STIP project costs have been adjusted to reflect the CHCCI escalation rate of 3.5 percent. This change in escalation rate added approximately \$44 million in STIP expenditures during the FE period.
- Transit expenditures during the 2000 FE period have been reduced due to projects coming online slower than anticipated in the 1998 FE.
- Conversion of State Resources to State-only program capacity is on a per fiscal year historical cash flow allocation/expenditure basis.
- Expenditure levels reflect continuation of all programs authorized under current statutes.
- COS for committed programs is based on estimated actual costs.
  - No assumption is made regarding the mix of new capital projects or the corresponding COS levels.
  - COS is included in the amount available for new programming.

## **RESERVES**



There are three components of “reserves”.

1) “Reservations for Economic Uncertainties”:

This is the “traditional” reservation totaling \$160 million. Due to the uncertainty of the new FE and STIP process called for by SB 45, the reserve is spread evenly over the four years (approximately \$40 million per year).

2) “Short-term County Share Reservations”:

- These reservations must be proposed in the first two years of the STIP.
- They are available to fund STIP amendments (including projects that will be ready for allocation during the two-year period).
- The CTC applies the “timely use of funds” rule to short-term reserves as if they were programmed projects.
- Cash expenditures for the short-term county share reservation are \$38 million.

3) “Long-term County Share Reservations”:

- Regions may choose to reserve a part or all of their county shares until the next county share period (i.e. foregoing programming of funds until the 2002 STIP).

- The CTC has the authority to use funds freed up from these long-term reservations to advance county shares in other counties.
- The long-term county share reservation in the 1998 STIP is \$779 million resulting in \$576 million of cash commitments during the 2000 Fund Estimate period.
- Programming of long-term county share reservations via STIP amendments will not be constrained by the assumptions used in building the 2000 FE.

## **CONTINGENCIES**

### **Contingency for Delivery Shortfall:**

- The 2000 FE assumes 100% delivery of available Federal local assistance funds. However, local delivery during the past two years is at 40%. To ensure that all programmed funds are expended, a contingency section has been added to the 2000 FE.
- The “Contingency for Delivery Shortfall” line in the FE represents the Federal resources that will be available assuming that local project delivery gradually increases to 45% in FY 00-01 then at 5% per year over the FE period to 60% in FY 03-04.
- The total “Contingency for Delivery Shortfall” equals \$1.67 billion over the FE period. This is a temporary strategy until local agencies have been able to address improved project delivery.
- The first call on this “contingent” resource is covering the \$524 million STIP funding shortfall.

### **Other Potential commitments for “contingent” resources:**

#### **Stormwater:**

- Resources are needed to ensure compliance with the conditions and requirements set forth by the State Water Resources Control Board and National Pollution Discharge Elimination System (NPDES) regulations.
- The United States Environmental Protection Agency (EPA) has issued more stringent requirements regarding discharge from storm water drain systems and the impact on water quality standards.

- Caltrans is faced with conducting research to determine the extent of the storm water discharge problem and then developing and implementing overall watershed plans in concert with local municipalities.

### **SHOPP/TOPS:**

- Resources are needed for implementation of the Traffic Operation Program Strategies (TOPS). These are system operational improvements aimed directly at reducing urban congestion through system management in partnership with Regional agencies. Strategies will include the effective use of Traffic Operations Centers, roadway improvements, land-use changes, Local transit systems, etc.
  - TOPS is viewed as a systematic urban bottleneck removal program. This is in contrast to SHOPP operational improvements, which are aimed at spot congestion relief issues statewide.

### **AB 1012 Amended 2000 FE**

The CTC adopted the 2000 STIP FE at its August 1999 meeting. Subsequent to the adoption, AB 1012 legislation (Torlakson, 1999) was passed that provided funding authority for an Advance Project Development Element (APDE) in the 2000 STIP.

### **Passage of AB 1012 impacts the 2000 FE as follows:**

- Adds two years to the fund estimate period beginning with the 2000 FE.
- The 2000 STIP would remain a 4-year program.
- Provides for a process to nominate an advanced project development list of projects for inclusion in the 2000 STIP.
- Programming the APDE in the 2000 STIP would provide the authority to perform two project development components:
  - permits and environmental; and
  - plans, specifications, and estimates
 for projects for which the capital outlay components would be funded from the subsequent STIP (2002).
- APDE counts against future county shares.

## **APDE**

The Adopted 2000 FE produced no additional programming capacity. Under AB 1012, the two years beyond the current 2000 FE bring \$10.5 billion of new resources into the fund estimate, which results in \$1.5 billion of new programming capacity. The APDE calculation would allow 25% of the funds available for programming in the outer two years to be expended over the four years of the 2000 FE. This calculation results in \$375 million being available for the APDE, of which \$281 million is for the RIP and \$94 million is for the IIP.

## **Loan Program**

AB 1012 also included a provision to lend an aggregate maximum of \$500 million for use by local transportation agencies for the advancement of "STIP eligible" projects. The loan program is automatically triggered once the SHA cash balance exceeds \$400 million. The CTC is required to establish guidelines for the implementation of the loan program and the loans must be repaid within four years.

## **Assumptions considered in adding the two additional years to the 2000 FE:**

- The Adopted 2000 FE reflects the "10-Year SHOPP Plan". However, the SHOPP Program was increased \$525 million over the "10-Year SHOPP Plan" in the added two years (\$250 million in 2004/05 and \$275 million in 2005/06).
  - The corresponding SHOPP Support Costs increased \$310 million (\$87 million in 2004/05 and \$223 million in 2005/06).
- No allowance for a loan program from the SHA was made in developing the AB 1012 FE.
- All other assumptions remain the same as in the initially Adopted 2000 FE.
- There are no new funds to support the APDE provision of AB 1012.

**STATE HIGHWAY ACCOUNT**  
**ADOPTED**  
**2000 STIP FUND ESTIMATE**  
(\$ millions)

**AB 1012**  
**2000 FE**

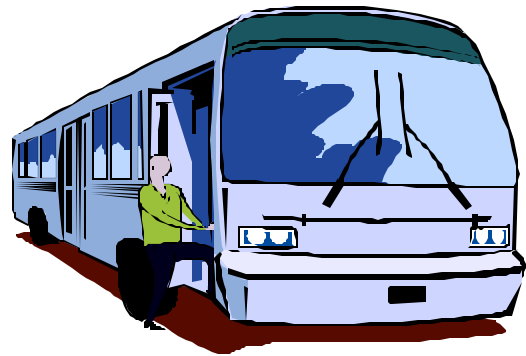
	1999-00	2000-01	2001-02	2002-03	2003-04	4-Year Total	2004-05	2005-06	AB 1012 Total
<b>RESOURCES</b>	\$5,500	\$5,310	\$5,055	\$4,837	\$4,637	<b>\$19,839</b>	\$5,367	\$5,193	<b>\$10,560</b>
<b>STATE OPERATIONS</b>	(\$1,225)	(\$1,237)	(\$1,264)	(\$1,293)	(\$1,322)	<b>(\$5,116)</b>	(\$1,352)	(\$1,382)	<b>(\$2,734)</b>
<b>SHOPP</b>									
SHOPP/TEA	(\$798)	(\$767)	(\$762)	(\$759)	(\$777)	<b>(\$3,065)</b>	(\$805)	(\$839)	<b>(\$1,644)</b>
SHOPP Increase							(87)	(223)	<b>(310)</b>
Minor	(87)	(87)	(89)	(92)	(95)	<b>(363)</b>	(97)	(100)	<b>(197)</b>
Support	(328)	(363)	(336)	(361)	(324)	<b>(1,384)</b>	(388)	(412)	<b>(800)</b>
Total SHOPP Plan	(\$1,212)	(\$1,217)	(\$1,187)	(\$1,213)	(\$1,196)	<b>(\$4,812)</b>	(\$1,377)	(\$1,574)	<b>(\$2,951)</b>
<b>LOCAL ASSISTANCE</b>									
Local Assistance/TEA	(\$730)	(\$851)	(\$870)	(\$871)	(\$869)	<b>(\$3,461)</b>	(\$886)	(\$899)	<b>(\$1,785)</b>
Retrofit Soundwalls		(8)	(31)	(60)	(71)	<b>(170)</b>	(52)	(4)	<b>(56)</b>
State/Local Partnership	(113)	(37)	(9)	0	0	<b>(46)</b>	0	0	<b>0</b>
EEM/TEA/TSM	(21)	(10)	(10)	(10)	(10)	<b>(40)</b>	(10)	(10)	<b>(20)</b>
Support	(62)	(70)	(57)	(54)	(55)	<b>(236)</b>	(56)	(57)	<b>(113)</b>
Total Local Assistance	(\$925)	(\$976)	(\$978)	(\$995)	(\$1,005)	<b>(\$3,953)</b>	(\$1,004)	(\$970)	<b>(\$1,974)</b>
<b>SUBTOTAL AVAILABLE</b>	<b>\$2,137</b>	<b>\$1,880</b>	<b>\$1,626</b>	<b>\$1,337</b>	<b>\$1,115</b>	<b>\$5,958</b>	<b>\$1,635</b>	<b>\$1,266</b>	<b>\$2,901</b>
<b>1998 STIP C/O Commitments:</b>									
STIP Highway & Local Roads	(\$1,177)	(\$988)	(\$925)	(\$761)	(\$649)	<b>(\$3,323)</b>	(\$507)	(\$207)	<b>(\$714)</b>
STIP Transit (RAIL & Mass Trans)	(402)	(412)	(184)	(102)	(108)	<b>(805)</b>	(54)	(22)	<b>(76)</b>
STIP Right of Way	(184)	(180)	(185)	(108)	(73)	<b>(546)</b>	(50)	(34)	<b>(83)</b>
Support	(374)	(317)	(271)	(258)	(188)	<b>(1,034)</b>	(143)	(100)	<b>(243)</b>
Total STIP C/O Commitments	(\$2,137)	(\$1,897)	(\$1,564)	(\$1,229)	(\$1,019)	<b>(\$5,708)</b>	(\$754)	(\$363)	<b>(\$1,117)</b>
<b>RESERVES</b>									
STIP "Long-Term" County Share Reservations	\$0	(\$43)	(\$146)	(\$189)	(\$198)	<b>(\$576)</b>	(\$153)	(\$50)	<b>(\$203)</b>
Economic Uncertainties	0	(40)	(40)	(40)	(40)	<b>(160)</b>	(40)	(40)	<b>(80)</b>
STIP "Short-Term" County Share Reservations	0	(26)	(12)	0	0	<b>(38)</b>	0	0	<b>0</b>
Total RESERVES	\$0	(\$109)	(\$198)	(\$229)	(\$238)	<b>(\$774)</b>	(\$193)	(\$90)	<b>(\$283)</b>
<b>AVAILABLE FOR PROGRAM</b>	<b>\$0</b>	<b>(\$126)</b>	<b>(\$136)</b>	<b>(\$120)</b>	<b>(\$142)</b>	<b>(\$524)</b>	<b>\$688</b>	<b>\$813</b>	<b>\$1,501</b>
<b>CONTINGENCIES</b>									
Resources:									
Contingency for Delivery Shortfall	\$300	\$371	\$367	\$338	\$296	<b>\$1,672</b>			
Expenditures:									
Stormwater		(41)	(41)	(41)	(41)	<b>(\$164)</b>			
SHOPP/TOPS	(50)	(213)	(278)	(302)	(155)	<b>(\$998)</b>			
Total CONTINGENCIES	\$250	\$117	\$48	(\$5)	\$100	<b>\$510</b>			
<b>NET PROGRAMMING</b>	<b>\$250</b>	<b>(\$9)</b>	<b>(\$88)</b>	<b>(\$125)</b>	<b>(\$42)</b>	<b>(\$14)</b>			



# PUBLIC TRANSPORTATION ACCOUNT



**Deficit of \$50 million**



## **PUBLIC TRANSPORTATION ACCOUNT FUND ESTIMATE ASSUMPTIONS**

The revised 1998 PTA FE adopted by the CTC in January 1999 projected a total deficit of \$12 million over the 6-year transitional FE period; the 2000 FE projects the deficit increasing to \$50 million over the four common years of the FE.

### **REVENUES**

- Slightly lower revenues, primarily from the sales tax on gasoline and diesel fuel, are based on the DOF's May 1999 revised estimate, escalated at the DOF rate of 2.3 percent.
- Interest income (SMIF) is based on a "floating" cash balance using the current Pooled Money Investment Account (PMIA) rate.
- The SB 60 contribution to the Toll Bridge Seismic Retrofit Account (TBSRA) is assumed at \$40 Million over the STIP period. This is unchanged from the same 4-year period in the 1998 FE.
  - The overall obligation may be reduced to \$60 million by State and Local Transportation Partnership Program (SLTPP) savings. Ten million dollars has been paid, and \$40 million is scheduled for payment during the 2000 FE period. Payment of the remaining obligation is deferred until the 2002 FE.
- The formula for the transfer from the SHA is revised to fund 100% of Article XIX eligible support costs (100% of Planning staff & support; 90% of CTC; 50% of Institute of Transportation Studies, 36% of Admin & Tech Services). The \$30,000 pro-rata share paid from the Aeronautics Account remains the same, but is not displayed separately.

### **EXPENDITURES**

- State Transit Assistance is estimated by statutory formula - 50% of tax revenue.

- Support costs are based on the 1999-00 Governor's Budget, escalated at the DOF annual rate of 2.3 percent. Most of the \$188 million increase is for planning costs paid by the SHA transfer.
- All TCI Program prior commitments are assumed expended before the 2000 FE period.
- Intercity rail and bus contract and expansion costs are assumed to increase about \$15 million over the 1998 FE amount due primarily to the inclusion of an escalation rate to account for potential inflation.

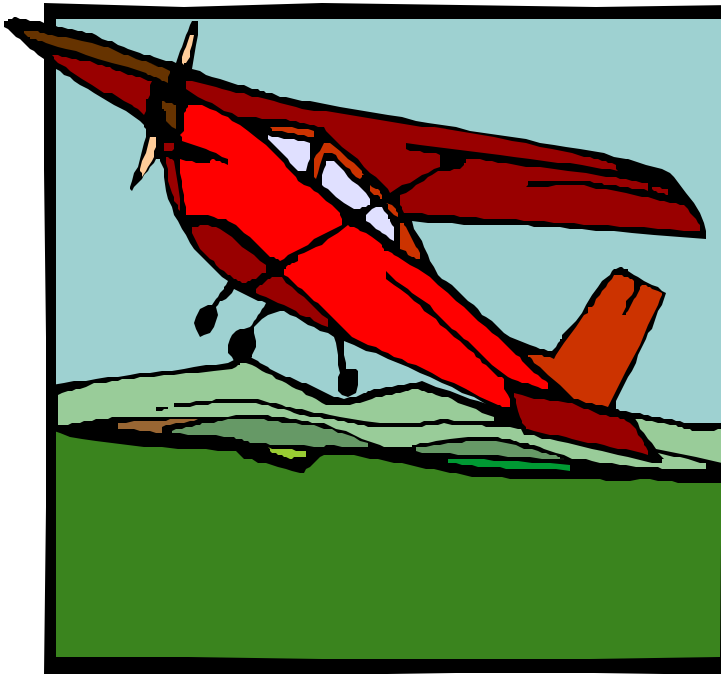
# PUBLIC TRANSPORTATION ACCOUNT

## 2000 STIP FUND ESTIMATE

(\$ in thousands)

	1999-2000	2000-01	2001-02	2002-03	2003-04	TOTAL
<b>RESOURCES</b>						
Beginning Reserve	\$ 89,755	\$ 73,955				\$ 73,955
Sales Tax On Gasoline-Spillover	0	0	0	0	0	0
Sales Tax On Gasoline-Prop 111	60,654	61,988	63,352	64,746	66,170	256,257
Sales Tax On Diesel	112,522	114,997	117,527	120,113	122,756	475,393
Transfer to PVEA	(51)	0	0	0	0	0
Transfer to Toll Bridge Retrofit Account	0	0	0	(15,000)	(25,000)	(40,000)
Payable to SHA	0	0	0	0	0	0
Repayment of GF Loan	0	0	0	0	0	0
Interest (SMIF)	5,500	3,475	3,166	569	0	7,211
Transfer from SHA for 97-98 TCI	28,040	0	0	0	0	0
Transfer from State Highway Account	56,500	57,800	59,100	60,400	61,800	239,100
<b>TOTAL RESOURCES</b>	<b>\$ 352,920</b>	<b>\$312,216</b>	<b>\$243,146</b>	<b>\$230,828</b>	<b>\$225,726</b>	<b>\$ 1,011,916</b>
<b>STATE TRANSIT ASSISTANCE</b>	<b>\$ 100,259</b>	<b>\$ 88,493</b>	<b>\$ 90,440</b>	<b>\$ 92,429</b>	<b>\$ 94,463</b>	<b>\$ 365,825</b>
Reserve for Economic Uncertainties - Beginning Balance		\$ 8,849				\$ 8,849
Reserve for Economic Uncertainties - Change			\$ 195	\$ 199	\$ 203	\$ 597
<b>AVAILABLE FOR PROGRAM</b>	<b>\$ 252,661</b>	<b>\$214,874</b>	<b>\$152,511</b>	<b>\$138,200</b>	<b>\$131,060</b>	<b>\$ 636,644</b>
<b>SUPPORT COSTS</b>						
Rail & Mass Trans Staff & Support	\$ 20,086	\$ 20,550	\$ 21,020	\$ 21,500	\$ 21,990	\$ 85,060
Planning Staff & Support	54,270	55,520	56,800	58,110	59,450	229,880
Administration & Technical Services	1,575	1,610	1,650	1,690	1,730	6,680
California Transportation Commission	1,247	1,280	1,310	1,340	1,370	5,300
Public Utilities Commission	2,377	2,430	2,490	2,550	2,610	10,080
High-Speed Rail Authority	3,027	3,100	0	0	0	3,100
Institute of Transportation Studies	956	956	956	956	956	3,824
<b>TOTAL SUPPORT</b>	<b>\$ 83,538</b>	<b>\$ 85,446</b>	<b>\$ 84,226</b>	<b>\$ 86,146</b>	<b>\$ 88,106</b>	<b>\$ 343,924</b>
<b>COMMITTED PROGRAM</b>						
• Prior Years Commitment to the Transit Capital Improvement (TCI) Program	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
• 1997-98 TCI Program	31,182	0	0	0	0	0
• Intercity Rail & Bus Operations - Base	63,403	65,458	66,963	68,503	70,079	271,003
• Intercity Rail & Bus Operations - New Service	583	2,243	6,813	29,674	32,654	71,384
<b>TOTAL COMMITTED PROGRAM</b>	<b>\$ 95,168</b>	<b>\$ 67,701</b>	<b>\$ 73,776</b>	<b>\$ 98,177</b>	<b>\$102,733</b>	<b>\$ 342,387</b>
<b>FUNDS AVAILABLE FOR PROGRAMMING</b>	<b>\$ 73,955</b>	<b>\$ 61,727</b>	<b>\$ (5,491)</b>	<b>\$ (46,123)</b>	<b>\$ (59,779)</b>	<b>\$ (49,667)</b>
<b>CUMULATIVE TOTAL</b>		<b>\$ 61,727</b>	<b>\$ 56,236</b>	<b>\$ 10,113</b>	<b>\$ (49,667)</b>	

# AERONAUTICS ACCOUNT



**\$12.4 Million in  
programming  
capacity**

## **AERONAUTICS ACCOUNT FUND ESTIMATE ASSUMPTIONS**

The 2000 STIP FE shows programming capacity of \$12.4 million in the Aeronautics Account.

### **REVENUES**

- The balance going into the STIP period is the same as the 1999-00 Governor's Budget.
- Revenues generated from the 18-cent excise tax on aviation gasoline and the 2-cent tax on jet fuel are based on the 1999-00 Governor's Budget.
  - Assume aviation fuel tax revenue declines slightly (less than 1%) as jet fuel increases.
- Interest income is based on an actual cash balance of \$14 million (recurring since 1997), at the current PMIA rate.
- Miscellaneous revenue estimates and the transfer to the PTA for planning costs are held at the 1999-2000 Governor's Budget amount through the STIP period.

### **EXPENDITURES**

- Support costs are based on the 1999-00 Governor's Budget, escalated at the DOF annual rate of 2.3 percent.
- Grants to local agencies are assumed to remain at \$1.5 million through the STIP period.
- Acquisition and Development (A&D) costs reflect the remaining year of the three-year program adopted in June 1998. Adjustment was made in the base year for 1998 projects that will be delivered in FY 1999-00.
- The Airport Improvement Program (AIP) is assumed at the 1998-99 program level of \$1.4 million through the STIP period.
  - Assume the set-aside in the adopted program will be increased, and A&D will be reduced if a major increase in Federal funds currently under consideration by Congress occurs.

## AERONAUTICS ACCOUNT

### 2000 STIP FUND ESTIMATE

(\$ in thousands)

	1999-00	2000-01	2001-02	2002-03	2003-04	TOTAL
<b>RESOURCES</b>						
Beginning Reserves	\$4,475	\$4,249	\$0	\$0	\$0	<b>\$4,249</b>
Aviation Gas Excise Tax	5,600	5,496	5,394	5,294	5,196	<b>21,380</b>
Jet Fuel Excise Tax	1,775	1,792	1,810	1,828	1,846	<b>7,276</b>
Interest (SMIF)	800	777	777	777	777	<b>3,108</b>
Sale of Documents	7	7	7	7	7	<b>28</b>
Transfer To PTA Account *	( 30)	( 30)	( 30)	( 30)	( 30)	<b>( 120)</b>
<b>TOTAL RESOURCES</b>	<b>\$12,627</b>	<b>\$12,291</b>	<b>\$7,958</b>	<b>\$7,876</b>	<b>\$7,796</b>	<b>\$35,921</b>
<b>EXPENDITURES</b>						
State Operations	\$2,525	\$2,583	\$2,642	\$2,703	\$2,765	<b>\$10,693</b>
<b>TOTAL EXPENDITURES</b>	<b>\$2,525</b>	<b>\$2,583</b>	<b>\$2,642</b>	<b>\$2,703</b>	<b>\$2,765</b>	<b>\$10,693</b>
<b>AVAILABLE FOR COMMITTED PROGRAM</b>						
	\$10,102	\$9,708	\$5,316	\$5,173	\$5,031	<b>\$25,228</b>
<b>LOCAL ASSISTANCE</b>						
• Grants to Local Agencies	\$1,490	\$1,490	\$1,490	\$1,490	\$1,490	<b>\$5,960</b>
• Acquisition & Development	2,963	1,258	0	0	0	<b>\$1,258</b>
• Airport Improvement Program mat	1,400	1,400	1,400	1,400	1,400	<b>\$5,600</b>
<b>TOTAL LOCAL ASSISTANCE</b>	<b>\$5,853</b>	<b>\$4,148</b>	<b>\$2,890</b>	<b>\$2,890</b>	<b>\$2,890</b>	<b>\$12,818</b>
<b>FUNDS AVAILABLE FOR PROGRAMMING</b>						
	\$4,249	\$5,560	\$2,426	\$2,283	\$2,141	<b>\$12,410</b>

\*This figure represents the annual transfer to the PTA as required by PUC Code 21682.5.

# RAIL BOND ACCOUNT





## **RAIL BOND ACCOUNT FUND ESTIMATE ASSUMPTIONS**

The Clean Air and Transportation Improvement Bond Act of 1990 (Proposition 116) has \$341 million available for programming.

Of the \$1.99 billion available from the sales of bonds:

- \$1.65 billion has been committed to projects.
- Cash expenditures of \$1.38 billion have been made.

# PROPOSITION 116

## 2000 STIP FUND ESTIMATE

(\$ in thousands)

As of June 1999

		STIP TOTAL
<b>Resources</b>		
Bond Authorization		<b>\$1,990,000</b>
<b>Support Costs</b>		
Administrative Support	10,000	
<b>Committed Program</b>		
• Rail Projects	1,517,139	
• Non-Urban County	73,000	
• Competitive Bicycle	20,000	
• Waterborne Ferry Program	29,300	
Approved Applications (1)	\$1,639,439	
<b>Total Committed Program</b>		<b>\$1,649,439</b>
<b>AVAILABLE FOR PROGRAMMING</b>		<b>\$340,561</b>

(1) Of this amount, approximately \$1,622,595 has been allocated.

# TOLL BRIDGE ACCOUNT



**No true  
programming  
capacity**

## **VINCENT THOMAS - TOLL BRIDGE ACCOUNT FUND ESTIMATE ASSUMPTIONS**

While the Vincent Thomas - Toll Bridge Account appears to have \$17.5 million in programming capacity, that is not the case. This account owes \$15 million as its contribution to the Toll Bridge Seismic Retrofit Account.

The 1998 FE anticipated this transfer to occur in 1999-00. However, the contribution is being deferred until the 2002 FE to generate additional interest to pay back an outstanding loan to the SHA. Deferring the transfer has no negative impact on the Toll Bridge Seismic Retrofit Account.

Revenues collected are barely sufficient to cover the cost of operating the toll collection activities. There is no true programming capacity for this bridge.

### **REVENUES**

- Beginning Reserves reflect estimated balances.
- In accordance with CTC action at the November 3-4, 1999 Commission meeting, Caltrans will discontinue the collection of toll charges on the Vincent Thomas Bridge at a date no later than January 1, 2000.

### **EXPENDITURES**

- Program costs are based on 1999-00 estimated expenditures escalated at the DOF rate.
- Rehabilitation expenditures are based on districts' project schedules.

# **APPENDIX B**

## **2000 STIP County Share Estimates (Including AB 1012 Estimates) CALIFORNIA TRANSPORTATION COMMISSION**



## **GUIDELINES FOR 2000 STIP ADVANCE PROJECT DEVELOPMENT ELEMENT**

Chapter 783 of the Statutes of 1999 (AB 1012) was signed by the Governor on October 7, 1999, to take effect immediately. AB 1012 added Section 14529.01 to the Government Code with the intent “to facilitate project development work on needed transportation projects to produce a steady flow of construction work by adding an advance project development element to the state transportation improvement program, beginning with the 2000 State Transportation Improvement Program.” Section 14529.01 calls for the fund estimate to include additional STIP program capacity for the project development element, subject to the STIP’s county and interregional shares, and permits the California Transportation Commission to develop guidelines to implement the new law’s provisions.

For implementation of the 2000 STIP Advance Project Development Element, the Commission adopts the following guidelines, which supplement the STIP guidelines as amended by the Commission on September 29, 1999.

1. Amended Fund Estimate. The amended 2000 STIP Fund Estimate identifies \$375 million as the amount available pursuant to subdivision (c) of Section 14529.01 of the Government Code for the 2000 STIP Advance Project Development Element (APDE), with county and interregional shares as identified in the attached summary. These APDE amounts are above and beyond the amounts identified in the initial Fund Estimate. Since the initial Fund Estimate called for no new programming capacity, the Advance Project Development Element amount is the sole new programming capacity for the 2000 STIP Fund Estimate. The APDE does not change the status of carryover county share balances, which remain available for any STIP purpose.
2. Programming of APDE County and Interregional Shares. Regions and Caltrans may propose projects from their respective county and interregional APDE shares in the RTIPs and ITIP, and they may propose joint regional and interregional APDE funding for a project. The proposal and adoption of projects will be the same as for other STIP projects, except that projects to be programmed through the APDE are limited to the two STIP project development components: (1) environmental and permits and (2) plans, specifications, and estimates. Projects may not be programmed through the APDE if they

are simultaneously programmed for acquisition of right-of-way (including support) or construction from regular STIP programming capacity. Project development work already programmed in the STIP may not be shifted to the APDE.

3. Program Year. APDE projects will be proposed for programming and adopted into the STIP and allocated in the same manner as other STIP projects. They may be proposed for any of the STIP's four fiscal years. APDE local projects, when programmed, are subject to the STIP's timely use of funds provisions.
4. Program Amendments. APDE projects may be amended into the STIP at any time after the initial adoption of the 2000 STIP in the same manner as other STIP amendments. The amendments will identify the county or interregional APDE share from which the projects are to be funded.
5. Effect on Regular County and Interregional Shares. APDE programming will be treated as an advance of regular future county or interregional share, although every county, including a county in a region over 1 million population, is eligible for APDE programming. If all or a portion of any county or interregional APDE share is not programmed, that amount will become available to program for any STIP purpose in the next STIP. Amounts that are programmed in the current STIP from an APDE share will be deducted from the regular county or interregional share for the next STIP. The Fund Estimate for the next STIP will include a new APDE fund estimate with new county and interregional APDE shares.
6. APDE Shares May Not Be Exceeded. The programming of a county or interregional APDE share may not exceed the amount identified in the Fund Estimate. A county or interregional APDE share may not be loaned or advanced. However, regional agencies that have agreed to pool their regular county shares (Section 28 of the STIP Guidelines) may also pool their APDE shares. Any region may choose to program project development work from its regular STIP county share.

## **County And Interregional Shares**

The following chart displays available STIP county and interregional share balances, advance project development element per AB 1012, and STIP amendments and allocations through the November 1999 CTC meeting.

**2000 STIP FUND ESTIMATE**  
**REVISION FOR ADVANCE PROJECT DEVELOPMENT ELEMENT PER AB 1012**  
**COUNTY AND INTERREGIONAL SHARES**  
**Includes STIP Amendments and Allocations Through November 1999**  
(\$1,000's)

County	Current Status, 1998 STIP as Amended				Project Development Element (AB1012)
	Share	Programmed	Unprogrammed Balance	Balance Advanced	
Alameda	211,535	199,355	12,180	0	10,379
Alpine/Amador/Calaveras	23,472	19,764	3,708	0	1,702
Butte	27,237	7,447	19,790	0	2,001
Colusa	7,374	6,441	933	0	513
Contra Costa	119,602	114,464	5,138	0	6,466
Del Norte	6,556	5,579	977	0	490
El Dorado LTC	15,845	11,577	4,268	0	1,185
Fresno	91,290	121,665	0	30,375	6,827
Glenn	10,917	11,920	0	1,003	562
Humboldt	38,742	21,665	17,077	0	2,047
Imperial	46,306	33,364	12,942	0	3,180
Inyo	45,624	41,586	4,038	0	2,692
Kern	151,680	152,779	0	1,099	8,951
Kings	24,882	23,039	1,843	0	1,300
Lake	14,497	6,540	7,957	0	844
Lassen	24,004	22,687	1,317	0	1,236
Los Angeles	1,055,858	880,472	175,386	0	65,745
Madera	14,921	14,474	447	0	1,116
Marin	38,609	38,609	0	0	2,139
Mariposa	5,559	5,528	31	0	416
Mendocino	25,518	24,344	1,174	0	1,908
Merced	29,680	29,329	351	0	2,217
Modoc	13,169	10,071	3,098	0	678
Mono	39,147	39,047	100	0	1,973
Monterey	64,947	96,185	0	11,238	3,672
Napa	19,591	16,861	2,730	0	1,218
Nevada	13,849	13,247	602	0	1,036
Orange	279,740	217,986	61,754	0	17,886
Placer TPA	32,192	40,063	0	7,871	1,677
Plumas	13,473	10,117	3,356	0	769
Riverside	200,241	172,663	27,578	0	12,255
Sacramento	125,451	111,057	14,394	0	8,648
San Benito	9,675	8,976	699	0	613
San Bernardino	314,436	302,274	12,162	0	16,961
San Diego	377,200	303,922	73,278	0	20,624
San Francisco	74,742	53,848	20,894	0	5,588
San Joaquin	84,201	62,305	21,896	0	4,532
San Luis Obispo	74,862	71,430	3,432	0	3,688
San Mateo	86,306	63,425	22,881	0	5,649
Santa Barbara	77,606	77,414	192	0	4,345
Santa Clara	163,174	92,040	71,134	0	12,200
Santa Cruz	34,780	32,738	2,042	0	2,159
Shasta	42,304	35,182	7,122	0	2,176
Sierra	6,936	2,712	4,224	0	357
Siskiyou	26,802	26,802	0	0	1,518
Solano	41,624	41,624	0	0	3,112
Sonoma	69,680	56,160	13,520	0	3,761
Stanislaus	56,520	31,164	25,356	0	3,420
Sutter	11,639	8,471	3,168	0	771
Tahoe RPA	8,937	4,409	4,528	0	514
Tehama	17,537	9,637	7,900	0	1,077
Trinity	20,077	736	19,341	0	783
Tulare	80,186	36,455	43,731	0	4,248
Tuolumne	11,899	7,551	4,348	0	890
Ventura	107,536	102,391	5,145	0	6,202
Yolo	24,545	22,611	1,934	0	1,675
Yuba	8,824	5,918	2,906	0	660
<b>Statewide Regional</b>	<b>4,683,536</b>	<b>3,980,120</b>	<b>755,002</b>	<b>51,586</b>	<b>281,250</b>
<b>Interregional</b>	<b>1,478,436</b>	<b>1,576,900</b>	<b>0</b>	<b>98,464</b>	<b>93,750</b>
<b>Statewide Total</b>	<b>6,161,972</b>	<b>5,557,020</b>	<b>755,002</b>	<b>150,050</b>	<b>375,000</b>
California Transportation Commission					November 15, 1999